

TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 3 — 0 1

2. STATE:

West Virginia

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

February 1, 2003

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☒ AMENDMENT TO BE CONSIDERED AS NEW PLAN☐ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 USC 1396r-4(g) & 42 CFR 447.272

7. FEDERAL BUDGET IMPACT:

a. FFY 2003 \$ 4 million*

b. FFY 2004 \$ 4.5 million*

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-D
Pages 4 and 59. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

10. SUBJECT OF AMENDMENT:

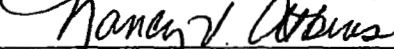
This plan amendment amends the payment methodology for state-owned and ~~non-state government-owned~~ nursing homes by providing for payments within the upper payment limits as set forth in 42 CFR 447.272.

11. GOVERNOR'S REVIEW (Check One):

- ☒ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☐ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Nancy V. Atkins, MSN, RNC, NP

14. TITLE:

Commissioner

15. DATE SUBMITTED:

16. RETURN TO:

Nancy V. Atkins, MSN, RNC, NP
CommissionerBureau for Medical Services
350 Capitol Street, Room 251
Charleston, WV 25301-3706

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

MAR 28 2003

18. DATE APPROVED:

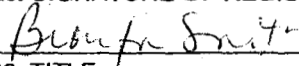
3/24/2004

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

FEB - 1 2003

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

Charlene Brown

22. TITLE:

Deputy Director, CMSO

23. REMARKS: State will Adjust to Reflect Removal of County NFs

State West VirginiaAttachment 4.19-D
Page 44.19 Payments for Long Term Care Services**Nursing Home Services****Special Payments to Essential Public Safety Net Nursing Homes**

- I. Specific criteria for Nursing Home Participation:
 - A. Must be a West Virginia licensed Nursing Home;
 - B. Must be enrolled as a West Virginia Medicaid provider;
 - C. Must be a state-owned or operated nursing home, as determined by the Department of Health and Human Resources, Bureau for Medical Services (Bureau).
- II. Payment Methodology:
 - A. A supplemental payment will be made to each qualifying Essential Public Safety Net Nursing Home based on the following calculation.
 - B. For each state fiscal year, the Bureau calculates the reasonable estimate of the amount that would be paid under Medicare payment principles, for each qualifying provider using the minimum data set (MDS) data derived from Medicaid residents in state nursing facilities, which will be grouped using the Medicare PPS grouper software into the 44 RUGS level categories as defined by the current Medicare nursing home prospective payment system. Once the MDS data is grouped into the appropriate Medicare RUGs categories, the payment amount will be calculated using the Medicare RUGs payment rate for each RUG category multiplied by the Medicaid utilization of that category. The reasonable estimate of the amount that would be paid using Medicare payment principles would be the sum of all the Medicare RUG payment rates using Medicaid utilization for all qualifying state owned or operated and non-state owned or operated facilities in conformance with 42 CFR 447.272. An adjustment to the final calculation will be made regarding pharmacy and other ancillary service payments, as appropriate, in order to ensure that there is comparability between services provided by Medicare and Medicaid.
 - C. The Bureau determines the total Medicaid days reported by each state government owned or operated nursing facility for a fiscal period using cost reports from the most recent fiscal year for which all qualifying facilities have acceptable cost reports on file with the Bureau.

TN No. 03-01
Supersedes
TN No. New

Approved

MAR 24 2004Effective Date FEB - 1 2003

State West VirginiaAttachment 4.19-D
Page 54.19 Payments for Long Term Care Services**Nursing Home Services**

- D. The Bureau divides the total Medicaid days for each state government owned or operated nursing facility by the total Medicaid days for all state government owned or operated nursing facilities to determine the supplementation factor for each state government owned or operated nursing facility.
- E. For each state government owned or operated nursing facility, the Bureau multiplies the facilities supplementation factor, determined in II.D. above, by the total additional payment amount identified in II.B. above to determine the additional payment to be made to each state government owned or operated nursing facility.
- F. Supplemental payments under this section will be made on a quarterly basis after services have been furnished.

TN No. 03-01
Supersedes
TN No. New

Approved MAR 24 2004Effective Date FEB - 1 2003